LIANE SCHALATEK: Hello, everybody, can I please ask people – is it on? No. Can I please ask people to take their seats? A couple of housekeeping orders before we start in two or three minutes with the discussion: We’re going to be carried live over C-SPAN. Not only does that mean that all of you have to try to look your very best, but also, in terms of the interaction, try to make very thoughtful interactions and raise good questions. But, on a more serious note, it would be great if you could turn off your cell phones so that we don’t have telephone conversations while we are trying to carry a debate about what is obviously a serious issue, and not diminish the importance of our discussion. So exactly, a lot of those jingle-isms that are going on there, so I would appreciate that. We are going to start in two minutes, so if everybody who wants to grab some food could do so and then take a seat, I would appreciate it very much.

(Audio break.)

Okay, let me just get started by welcoming all of you here this afternoon. I’m very delighted about this wonderful turnout. My name is Liane Schalatek. I’m the associate director of the Heinrich Böll Foundation here in Washington, D.C. The Heinrich Böll Foundation, for those of you who don’t know it, is a German political party foundation affiliated with the Green Party in Germany and has been working on sustainable development, including agricultural policy alternatives, gender equity, climate change, and a variety of other issues that have come in the last couple of years, really, to the forefront of the policy debate.

So we are particularly pleased to be able to co-host the event here with the Carnegie Endowment and Sandra Polaski’s program on trade equity and development. And I really want to give thanks for Sandra to be willing to jump at that opportunity here and have that discussion here with us, because very often, in Washington, D.C., policy dialogues, particularly quote, unquote, “the more official side,” a lot of the policy alternatives that have come up on various issues have been neglected and it has been our work and our intention to make sure that there is a podium of some of those very substantial policy alternative proposals and suggestions.

Now, I don’t have to tell you why the debate today is such a current one. Obviously, this weekend we have the annual meeting of IMF and World Bank, where the global food crisis is going to be one of the major issues on the development committee agenda, although – and we have to be quite honest about that – it might be overshadowed somewhat by the global financial crisis and the tendency, particularly of the some of the industrialized countries, to focus a lot on themselves. However, I think we have to be quite honest in acknowledging the need to link those two crises and to think those two crises together. And, with that, to really rethink policy responses to both of these crises.

From my understanding, and from the understanding of a lot of thinkers that have dealt with the issues more substantively than I could, we are really at a crossroads of our understanding of markets. Market failures, government role in regulating markets or guiding markets – particularly as it pertains to the benefits of human development and global goods – and that includes, obviously, environmental integrity and sustainability – all those issues that play an important role in any discussion about agriculture. And this will come out in our discussion as well: It’s not so far-fetched to link the global financial crisis to the global food crisis, as commodity price speculation definitely has been one of the accompanying factors or one of the inputs to the global food crisis.
So with the fact that we are at a crossroad – with the fact that we are at a crisis moment, and hopefully are able to go beyond the panic and into some clear thinking – I think it is our opportunity to really rethink and not march straight on, insofar as business as usual, the policy response and the global community’s response to some of the issues that we are discussing here today.

So with that, let me introduce a wonderful panel. Again, one of our reasons for the discussion here was really that we felt that some of the policy alternative proposals, globally developed, multi-stakeholder dialogues and really innovative thinking from civil society organizations isn’t necessarily always getting that limelight that we, thanks to C-SPAN, are enjoying today. So we will, as part of the discussion, focus particularly on two proposals that have come forward, one via the “International Assessment of Agricultural Knowledge, Science and Technology for Development,” – IAASTD – and then also – and that’s obviously the privilege if you are in the – have the good fortune to organize an event – one of the proposals that has been developed with the participation of the Heinrich Böll Foundation: the eco-fair trade dialogue and some of the recommendations that have come out of that.

So, again, we have a wonderful panel. I'll introduce them briefly right now, and then we'll have all of them speak for about 10 minutes, which if I’m succeeding in my timekeeping role, should give us about 45 minutes to an hour, in varying degrees, for hopefully a stimulating discussion. We will start with Sandra Polaski, who is sitting here to my immediate left – your right – who is the director of the trade equity and development program and a senior associate at the Carnegie Endowment for International Peace. I don’t really have to introduce her in Washington, D.C., but probably for more global, U.S. – or a wider U.S. audience – her work focuses on trade development and employment policies, and she has served in a variety of capacities, among others, as the special representative for international labor affairs to the U.S. secretary of State. And she has also worked as the director for economic and legal research at the secretariat for the North American Commission for Labor Cooperation, which is a NAFTA-related and a governmental organization.

And Sandra will give us a broader overview of some of the issues before we are then continuing on with Steve Suppan. He’s the second from your right. Steve will give us an overview of the global synthesis report of the “International Assessment of Agricultural Knowledge, Science and Technology for Development.” Steve is a senior policy analyst at the Institute for Agriculture and Trade Policy, which is based in Minneapolis, and much of Steve’s work in the past has focused – I guess, it keeps him busy and probably up at night – to explain U.S. agriculture, trade and food safety policy to foreign governments and non-governmental organizations, especially farmer organizations. And we will hear a lot about those connections today. He holds a Ph.D. in comparative literature and studied philosophy at the University of Vienna.

Next to him, on his immediate right, is Simplice Davo Vodouh, and we are very pleased that Davo made the very wide trip from Benin to join us here for the discussion and that it worked out with the visa regulations because we think it’s really important to have a voice recounting the immediate impact on the ground and in Africa, how it affects people there and livelihoods there. Simplice is the head of the Department of Agricultural Economics and the coordinator of the Organisation Béninoise pour la Promotion de l’Agriculture Biologique and as that, he is also a member of the Committee of the Pesticide Action Network in Africa, has been working on rural development for many years, before joining the university where he is teaching agricultural extension.

Then, next to Sandra Polaski is Daniel de la Torre Ugarte, who is a professor and associate director at the Agricultural Policy and Analysis Center at the University of Tennessee. Daniel has been working
with the Heinrich Böll Foundation over the course of the last couple of years on the process on agricultural policy alternatives to eco-fair trade, global trade dialogue and in that capacity he’s going to present some of the work that has been done – an implementation paper dealing with food crisis and commodity crisis.

And last but not least, and we are very grateful for Steven to make his appearance here possible, seeing that there are a variety of agricultural policy dialogues and seminars going on as part of the IMF annual meeting just those next couple of days, and the Rural Development and Agricultural Department must be one of the most in demand during those couple of days, Steven Schonberger is going to be our last speaker. He is the lead operations officer for rural development in the East Asia and Pacific region of the World Bank, has worked on agricultural and rural development issues in Africa, Asia, and Latin America. And, in addition, he is also as far as I understand the focal point – the intermediary liaison of the World Bank to the UN Food Crisis Committee at the moment. So we’re set, I give the word to Sandra for about ten minutes and hopefully we’ll have a great discussion.

SANDRA POLASKI: Thank you, Liane, and let me also welcome all of you to Carnegie on behalf of the Carnegie Endowment. We have a wonderful group today, looking over the participant list I know that many of you are experts on various aspects of this topic, so we’re looking forward to a very rich discussion.

As Liane said, I want to frame the issues by looking at the some of the most important underlying factors giving rise to the food crisis. Those that have particular relevance to development, poverty, and hunger, because that is the focus of our discussion today, as opposed to factors that might affect more wealthy countries and consumers who are under less stress than in developing countries.

And I want to group these factors into two broad categories, because sometimes we make very long lists and don’t see the relationships. First is the question of underinvestment in developing country agriculture, and I’ll talk more about that in a moment, a problem that has really developed over the last thirty years, and second I want to talk about a range of market imperfections that affect the agricultural sector. Several different ones, and I’ll go into them in detail.

Starting with the question of underinvestment in developing country agriculture. We need to step back and remember that historically, the way countries develop is that they – if they develop, they proceed through a virtuous circle from where every country has started in history, which is agriculture. They proceed through a circle of more investment in agriculture, increasing productivity in agriculture, that gradually raises incomes of farmers, which allows them to make more investment, which makes their productivity increase more, which makes them less poor, they are able to buy more things – and this reinforcing circle has been the way that countries have been able to accumulate a surplus. From going from societies where there was only production for consumption to having a surplus, this was the basis. This growth in the agricultural sector was the basis where the accumulation of capital and the basis for increased domestic demand which could then consume the products that were produced in other sectors as the economies began to diversify. So as I’m saying, this process allowed for both investment and consumption in other sectors of economy, usually beginning with simple manufactured goods and simple services, and leading to increasing diversification over time. If we look at the long picture of development, this was the pattern that we saw in the West, beginning in Europe and then moving onto the countries of the so-called New World, in Latin America, in the U.S. and Australia and so on – this was the pattern that we saw in those countries in the 18th and 19th centuries, and in the 20th century this is the
pattern of development that we saw take hold in Asia as well. Beginning with Japan, and then Korea, and moving more recently to China.

Unfortunately, countries that are still poor today that are based primarily in agriculture, and this certainly includes almost of all of the 50 least developed countries in the world, and probably another 20 or 25 additional countries that have 70, 75, 85 percent of their population still engaged in very low productivity agriculture – those countries have not gotten onto that path yet. They haven’t gone on to that proven development path that I was just talking about that helped all of the richer countries eventually develop and diversify.

They turned away from that strategy, and adopted strategies that were inappropriate to their stage of development. And, in a nutshell what those strategies were – first, export-oriented development – the idea that they should specialize in high-value export agriculture as opposed to investing and growing in their own production of food and things that could be consumed and where they could gradually accumulate surplus, but rather they were encouraged to go into high-value export agriculture, and export-oriented manufactured goods, particularly low-scale, high-labor intensity, low-labor skilled goods. The export-oriented development strategy. And that meant that there was a hole in those countries in the emphasis on food for production and this traditional strategy I talked about, but the solution in this unproven and inappropriate development strategy, which has been very common for the last 30 years, was that those countries would simply import food from global markets.

And as all of you know, prices were at historical lows for much of the past 30 years, up until a couple of years ago, and so the fact that countries could buy food from global markets at low prices simply reinforced the propensity of some countries to adopt this strategy. Now, this strategy was justified by many actors – I mentioned in the slide the World Bank, the IMF, donors – it certainly was pushed by the U.S. Agency for International Development, DFID, others – it was embraced or reluctantly accepted by a number of national governments, including in those least developed countries – and again, it was based on the low global food prices, and in many cases it was pushed by the international financial institutions because of the need of those countries to gain foreign exchange after the debt crises of the 1980s.

However, this strategy was based on a flawed analysis. One of the flaws of that analysis was what’s called the fallacy of composition, which basically says that a policy which may be good for one country or one actor, if it is adopted by all, cannot work for all. It can only work for a subset. And so the fallacy of composition was that if developing countries all go into export agriculture, they will all make money – well, many of them went into coffee 15 years ago and the coffee market collapsed. More recently, into cut flowers, and those prices have been declining very dramatically. On the manufactured side, it’s evident in apparel, where the prices of apparel have been dropping for the last 10 or 15 years. So countries were going into markets that, by that very fact that the strategy was being propagated around the world, were becoming overcrowded with overcapacity, overproduction and falling prices.

Second, this strategy ignored the distortionary effects of subsidies in agricultural protection and protection of some of those labor-intensive manufacturing industries as well in wealthy countries. So, the markets that countries were selling into were not always available to them, or they were selling at prices which were distorted by subsidies. An additional strategy – flaw, rather, in the analysis was the fact that for many foods – rice is an example – global markets are very thin. And there was actually not enough being produced, if all countries, again, by fallacy of composition, decided they wanted to buy their rice, or many countries, there was not enough production to feed them.
So, we have a flawed strategy, we have 30 years of failure to invest in agriculture by the developing countries themselves, the ones that have failed to succeed, and by the donors. 30 years ago, 18 percent of official development assistance – that would be money from the World Bank and from USAID and the other donors to agriculture – constitute 18 percent of their total contributions of development assistance, and now it’s only 3 percent. As a result, we have a situation where many developing countries with surplus arable land and with surplus unskilled labor are today net food importers. This is bad for them, it’s bad for their poor – they have to buy at high prices what they could produce themselves when they’re underemployed and need sources of livelihoods. It’s bad for their balance of payments, and it’s also harmful to the entire world community, because it reduces the amount of food production, thereby reducing the global food supply.

This problem of neglect of the agricultural sector in developing countries was compounded by the market imperfections that characterize agriculture globally and frankly have characterized it for a very long time. I’m just going to touch on them lightly because I want to save some time to draw some preliminary conclusions. Financial markets. Liane mentioned the question of speculation in commodities markets, and I would argue that speculation per say – short-term movements to short-term investments to try to take advantage of movements in prices is one part of it, but it’s broader than that. It’s not just the speculators, it’s those going into commodities futures markets for long term investments. We saw a lot of pension funds, equity funds, hedge funds, taking up very large positions in commodities futures because it looked like a place where you could make a lot of money.

Above average returns, just like one time the tech sector looked that way and later the U.S. housing market looked that way, well more recently the agriculture futures markets looked that way, so far from being speculators, the buy and hold position rushed money into those markets and so we got, as you would expect, an asset bubble. Too many dollars chasing too few goods. We get overshooting of markets, etcetera. The current financial crisis, if anything is likely to exaggerate these effects in agricultural markets, including in agricultural land prices, which we see just ping-ponging around the world, in some places going up and in other places going down, based on financial market expectations of future returns, and all of this, at a minimum, is likely to seriously increase the volatility of food markets in the future.

Other market imperfections abound. Concentration at the global level in some grain markets and in some inputs markets, whether it’s seeds, fertilizer, etcetera, we have domination by a few firms and oligarchies and so they can engage in strategic behavior where they manipulate prices in order to gain market-share to induce dependency, whatever. We also have market failures within the developing countries themselves, sometimes because of market concentration – very often the intermediaries don’t have competition, there’s asymmetrical bargaining power and knowledge and capacity, particularly in some of the least developed countries, where the collectors of food products, the intermediaries, can pass on price declines because of their market position, however they don’t necessarily pass on price increases to farmers. And also, there are failures in the availability of credit to small farmers as well. What are the policy implications of these two broad sets of problems, market failures and failure to invest in agriculture?

First is a very basic point, that countries at early stages of structural transformation or the transition from agriculture to other sectors – that is these many, many countries, particularly in Africa and a few other parts of the world, that have 70, 80, 90 percent of their population in agriculture, should be encouraged to produce food for domestic and for regional consumption. Investment should be made a priority of the donors and of the national governments. As I said, some of the national governments who adopted these policies were willing participants, others were forced as conditionalities of loans and grants from donors – however, for the countries themselves and for the donors, investment in agriculture,
including building irrigation, roads to market, extension services, research, credit to small farmers – all of this has to be made a high priority.

Beyond this, the developing country governments themselves have to create the policy tools to address these agricultural market imperfections in their own markets. Obviously, they can’t influence global markets, but they can control at the country level, through such things as regulation of intermediaries. In countries with large numbers of small-scale farmers, and only a few marketers who are taking those goods to market, those marketers either have to be regulated by markets so that you don’t get distortionary behavior, or the governments themselves might have to take up a role in marketing. Which has been done rather successfully in a number of countries that have succeeded in getting themselves on this virtuous development path.

At the most fundamental level, developing country governments have to ensure adequate remuneration for their farmers. If farmers can’t make money, a small profit, on the goods that they plant and sell, the subsistence farmers will only produce for themselves. They can’t afford to buy from anyone else, they’ll produce for themselves but they won’t expand their production, we won’t get more of the supply response, if governments can’t ensure adequate remuneration. This means that governments have to take measures to secure a minimum price that farmers know at the beginning of the season they’ll receive at the end of the season. This is something that has gone out of fashion many places, however the countries that have maintained these kinds of policies, like India, have actually weathered this crisis reasonably well and I think at the end of the period of time we’re actually going to see that there was progress on poverty alleviation in such countries.

We have to recognize that for some low-income countries who don’t have large diversified economies, who don’t have budgetary resources to themselves, guaranteed minimum support prices, the only tools they may have may be trade tools. For example, tariffs or barriers to entry may be the only way that some governments can actually ensure these remunerative levels of prices for their farmers in order to elicit more production. And these are questions that are under debate right now – I would have said hot debate two months ago when they were actively being negotiated in the Doha round – that may be on the back-burner for a year or two, but the Doha round specifically over questions of a special safeguard mechanism that developing countries could use to shield their farmers from drops in prices and surges of inputs that would put their small farmers out of business.

Whatever policy regimes we come up with, today’s trade policy regimes must leave space for developing countries to be able to use the agricultural sector as an engine for development, just as we did in the United States, just as Europe did, and just as Asia and China did before us. Thank you.

MS. SCHALATEK: Thanks so much, Sandra, and I’m pretty sure that some of our later speakers will pick up on some of the issues, particularly the issue of underinvestment in developing country agriculture, as well as the market imperfections and the need to not necessarily make sure that we are returning to a low price policy for agricultural commodities, but to a fair price policy for agricultural commodities. With that, I would like to pass the word on Steve Suppan, who will give us an overview over the IAASTD global report. Again, that was a multi-stake holder process and I think particularly looking at some of the challenges that we are facing, and for example we have to think agriculture in synthesis and in connection with the climate change crisis that we are also facing. It becomes more and more important to think through what role knowledge, science and technology can play or should play to ensure that we are finding the right development answers for agriculture. Steve, please.
MR. STEVE SUPPAN: Thank you, Liane, and thank you to the whole foundation to Carnegie – the Carnegie Endowment for inviting the IAASTD to give an overview of the process and a quick summary of a few of the themes in the synthetic report. The IAASTD was approved – I should say the synthetic report was approved by 58 governments on April 12, 2008 in Johannesburg. The United States, Australia and Canada were the only governments who did not approve of the synthesis report, which is about 100 pages long. The IAASTD itself consists of a global report and five sub-global reports, each about 500 to 550 pages long that will be published between the end of November and the end of December. It’s important to understand very briefly the process of the IAASTD because this is very much a negotiated text, so it’s not like reading the product of a FAO staff report or even an academic series of articles.

There were two rounds of external reviews to which more than 400 authors had to respond in great detail, and so the amount of literature reviewed, quite frankly was sometimes overwhelming. The IAASTD had three main goals, concerning development sustainability, and those were to reduce hunger and poverty, to improve rural livelihoods, human health and nutrition, and to promote equitable – socially, environmentally and economically sustainable development, especially for the 2.6 billion people in the world who rely on agriculture for some part of their livelihood. And this includes crops, livestock, forestry and fishing. Very briefly, what the IAASTD is not. It is not an entity, it is not a funded project like the World Bank’s new deal for global agriculture. IAASTD really much depends on being able to articulate its ideas to governments, to civil society organizations – basically, it is a project in search of investment. And the approach, because of the time-frame and the terms of reference, was not to look at the food crisis from the last 40 days and the next 40 days, but really to look at it from the last 40 years and the next 40 years. So, most of the IAASTD was finished by the end of 2007, so the kind of food financial crisis factors – you know, the commodity index funds and the loss of risk management capacity for both agribusiness and for farmers, is not a topic that is dealt with explicitly in the IAASTD.

The synthetic report has eight topics, three of which I’ll talk about today. The eight are bio-energy, biotechnologies, climate change, human health, natural resource management, trade and markets, traditional and local knowledge and community based innovation, and last but not least women in agriculture. And so I’ll just be talking about the climate change cross-cutting topic, human in health, and women in agriculture – of course I’d be happy to discuss the findings of the other themes during the Q&A. So, according to the IAASTD calculations which are partially based on the International Panel on Climate Change fourth report, agriculture conservatively attributes to about 30 percent of greenhouse gas emissions that are causing the very extreme weather events that have affected forms of agricultural production, food security and ecosystem function. For example, the European heat wave the summer of 2003 decreased maize yields by about 20 percent.

The IAASTD approach to climate change – not just to climate change but to agriculture generally is multifunctional. The traditional business-as-usual approach is to invest in agriculture to maximize yields. And this business-as-usual model has to externalize all manner of environmental and social costs to give the appearance of being efficient, particularly for trade. The IAASTD instead assumes that agriculture policies should produce not just commodities, but rural employment, household food security, environmental goods and services, public health benefits – in other functions that require appropriate policy, planning investments. The greenhouse gas emissions must be reduced very sharply and soon. At the present rate of greenhouse gas emissions by 2050, global warming is projected to force the migration of 200 million people a year. The formal – kind of a shorthand, the university form of agricultural knowledge, science and technology transfer has been directed at input in energy-intensive irrigated model cropping systems that have contributed to increased greenhouse gas emissions. And so, one of the things
that the IAASTD suggests is that there needs to be a greater employment of social scientists and of traditional knowledge specialists in the planning investment of agriculture target to reduce these greenhouse gas reductions, and to also adapt to climate change. The IAASTD also suggests that – after 2012 that the framework convention on climate change should take advantage of agricultural knowledge, science and technology options for adaptation and mitigation of the effects of climate change. For example, at the upcoming meeting in Poland, of the framework convention there should be reorientation of the clean development mechanism to be able to take into account the agricultural effects of climate change to and to assign investment funds specifically for mitigation and adaptation.

On the human health front, as you know the FAO has recently added 75 million people to the already 850 million who it defines as undernourished and food-insecure. Despite the increase in global food production, global under-nutrition remains a major public health issue, causing perhaps 15 percent of all disease as of the year 2000. While there is considerable efficiency in agricultural system in providing calories and proteins, only about 66 percent of the global population gets adequate minerals, vitamins and other micro-nutrients. There is an agricultural policy that basically supports the creation of mono-culture crops, especially feed crops from dairy and meat – the meat trade, and very little support relatively speaking for nutrient dense grains, vegetables and fruits. So there needs to be a strategy to reverse the – not just under-nutrition, but the devastating effects of diet-related chronic disease, including diabetes, health – diabetes, heart attacks and cancer that are related to this intensive production of fats, refined sugars, and empty calories.

Food-borne disease is now causing about 13 to – 12 to 13 million child deaths a year, about 75 percent of the emerging diseases are transmitted from animals to humans, partly due to the intensification of livestock production and partly due to the ineffective enforcement of food safety and animal health measures. There is relatively little global coordination to try to deal with these epizootic diseases, the – (inaudible) – Commission and the World Animal Health Organization have just started to really work intensely on this issue. The funding, unfortunately, for mitigation of food safety contagions is largely something that’s done ad hoc on a voluntary fund basis and there needs to be a permanent fund to deal with those issues.

Finally, women in agriculture – women form about 20 to 70 percent of the agricultural and post-harvest workforce in developing countries. They produce about 75 percent of global production, even though what investment focuses on, indeed, what the multilateral institutions have focused on is much smaller percentage of food which is traded internationally. Due to the increasing rates of rural out-migration caused the policy failures that Sandra Polaski’s outlined – female farmers and agricultural workers are assuming greater and greater burdens for food production, indigenous plant breeding and rural entrepreneurship but they don’t have access to the resources that they need to really take on these responsibilities. Furthermore, there’s a feminization of agriculture, particularly in the horticulture and floriculture industries that are basically designed to provide cheap labor with no benefits. Women traditionally perform manual tasks but they are now being asked to also spray pesticides and operate machinery, often without adequate training, which endangers their health.

So to meet the IAASTD sustainability and development goals, agriculture knowledge science and technology needs to be targeted to support women’s roles in agriculture. This can include a wide range of knowledge and technologies and policies for enabling environment – including water rights, land title, input credit, marketing program assistance, communication technology assistance, and market evaluation. Kind of the bottom line on this – on this particular topic is that given the huge and growing responsibility of women for household food security and small-scale natural resource management, without these
supporting programs corresponding to these responsibilities, IAASTD sustainability and development goals cannot be achieved. Thank you very much.

MS. SCHALATEK: Thank you very much, Steve. I think some of the points that Steve has pointed out are important as we are carrying the discussion forward and I want to point out just one of them – namely, the fact that we can go on with agricultural policies as previously without internalizing environmental and social costs and that we need to really look at policy approaches that go beyond – be it in the face of climate crisis, be it in the face of the energy crisis that we’re all facing, need to go beyond energy-intensive and irrigated mono-cropping systems. And lastly, I want to thank Steve, specifically, for putting out the fact that is often forgotten, and particularly not always picked up by the donor community as well, that agriculture and food policies has gender-differentiated impact and that investment schemes and we will hear later on about some of the World Bank food programs on the global crisis response program, but also the vision that World Bank President Zoellick has outlined for new deal of global agriculture, global food policy, whether that takes into account some of those gender-differentiated policy impact. And we would hope that it does.

So now, I’m going to give the – (inaudible) – to Simplice and Simplice has also worked on the IAASTD larger overall endeavor and you can already see from the presentation that Steve gave that it really is a worthwhile endeavor and is worth reading. I want to point out that there is a 24-page summary available of the larger global report because I think, certainly, nobody who is in Washington, D.C., will have time to read through several 550-pages report, as wonderfully written they might be. But there is a very accessible 24-page summary and it can be looked up in multiple languages – www – (inaudible) – assessment – one word – dot org. And I would just encourage you to take a look at that. So that give Davo enough time to switch places and now, we’ll hear from him. Davo, again, has worked on the Sub-Saharan report of IAASTD and you know, the food crisis, obviously, has the most significant effect on the poorest people and the poorest country and unfortunately, Sub-Sahara Africa is then the region that is probably hit the most and we are looking forward to Davo’s recommendations.

SIMPLICE DAVO VODOUH: Thank you. Sorry.

MS. SCHALATEK: Can everybody hear? A little bit closer?

MR. DAVO VODOUH: No, no, it was not on. Okay, thank you.

I would like briefly give some contribution with respect to how we, from Sub-Saharan Africa, we see the international assessment and what is the specificity of that assessment. And I would like from the beginning, telling you that our – (inaudible) – to speak – (inaudible) – English so I will go over this slowly. Okay, I think that Steve extensively talked about what the international assessment was but I would like to focus on a few points, mainly about the sponsors – many sponsors are involving that assessment. It is not only one sponsor would decide to make that assessment with its viewpoint. You have here many, many sponsors – (inaudible) – Global Environment Facilities, United Development Program, United Nations Environment Program, UNEP, United Nation Education, Scientific and Cultural Organization, UNESCO, and the World Bank and the World Health Organization. All those organizations contribute to assessment and that means that result are not result, reflecting only one point of view from all those organization.

And what was the central question addressed by the international assessment? What would we do differently to overcome the system, poverty, and hunger, achieve a credible and sustainable development,
and sustain production in the land environment. That was one of the central question we address and from African point view, we tried to combine different strategies to come to a conclusion. How has the international assessment worked? And I think that still raise a number of questions but I would like to say that that assessment was viewed as very independent from any donors and independent from association. And it is a multi-stakeholder approach involving NGOs and – (inaudible). All those people are involved as equal partners, not anyone dominating the orders. And this is very important that I have to stress this. And it is also a multi-disciplinary process – different discipline has been called up in this process.

And also, people respect divisions between people. If you bring your point of view, people should respect it and people should discuss about it and to find some consensus. If there is no consensus, we have to mention it. And the scale of the challenge of covering a broad range of complex issues –

MS. SCHALATEK: Sorry, really briefly, we can hear a lot of BlackBerrys rattling away that obviously interferes with the transmission. So if you have your BlackBerry on at the moment, either take it outside or turn it off, please.

MR. DAVO VODOUH: So –

MS. SCHALATEK: Sorry to interrupt.

MR. DAVO VODOUH: Thank you. And the concept of the international assessment was endorsed as a multi-thematic – multi-special, multi-temporal, and intergovernmental processes with much – (inaudible) – same organization I have just mentioned. And how is the international assessment is managed? It is also equal. We have three – (inaudible) – government and the – (inaudible) – represented in the bureau.

And as I mentioned, by – (inaudible) – about to fall hundreds of words – (inaudible) – was selected to prepare the report. This – (inaudible) – worked in their own capacity and did not represent any particular stakeholder group. Additional individuals, organizations, and government were involved in the peer-review process. What are the main results? There are diverse and conflicting interpretation of past and current events which need to be – (inaudible) – and reflected.

Agriculture involve more than it. It has multiple socio-political, cultural, and environmental impact and benefit. That is a multi-functionality of agriculture. Usually, people think that maybe it is only a product but it is a multifunction. For example, you will see in areas in Africa, people continue to grow some crops and specific species, not just to have something to eat, but for some cultural thing. Because the yield is very low and you may say, why are you producing those kind of crops? These have some social impact in the area and you could do everything but they won’t stop growing their kind of crop.

The future of agriculture lies in agro-ecological farming and livelihood and business practices that meet social, environmental, and economic goals. And there is a reliance on the resource-extraction – (inaudible) – on the resource extractive and just as agriculture is dangerous and unsustainable. Short-term technical fix do not address complex challenges and often as our civil, social, and environmental harm. Achieving food security and sustainable – okay, thank you – achieving food security and sustainable livelihood of poor people in chronic poverty depend on our starting access to and control of resources by small-scale farmers. Because we have more small-scale farmer than indigenous farmers in our localities.
Fair, local, regional, and – (inaudible) – can build local economies, reduce poverty, and improve livelihood. (Inaudible) – human and ecological reliance on agriculture system, improve our capacity to respond to changing environmental and social stresses. Indigenous – (inaudible) – and community-based innovation are invaluable part of the solution. Good decision-making require building better governmental mechanisms and asserting democratic participation by the full range of people.

And as a conclusion, I would like to say that the compelling option for confronting the food crisis by – (inaudible) – farmers’ organization, creating more equitable transfer and trade agreements, encouraging local participation in policy formation and all the decision-making processes, then we can begin to reverse – (inaudible) – inequities within and between countries and create rural communities access to and control over resources and pave the way to our local and national full sovereignties. And the international assessment conclude this that on – (inaudible) – food security and recognizing food sovereignty – (inaudible) – ending essential marginalization – marginalization of the world’s most skillful producers. Thank you very much.

MS. SCHALATEK: Thank you very much, Davo. And again, I will hope – I hope that in the discussion, we'll have some opportunity, maybe, to get some very concrete Sub-Saharan examples and hope that can be raised. Davo introduced a couple of key concepts that I'm pretty sure that our next speaker is going to pick up upon. He mentioned the multi-functionality of agriculture and what he calls the triple-bottom line, namely the fact that you have to include social, environmental, as well as economic considerations when devising policy as strategies in agricultures. And he also included and pointed out what we haven't heard so far, the need for a democratic participation and the need for democratic considerations in both agricultural policy development, policy implementation, and that obviously needs to include, or needs to make sure, that the voice of small-scale farmers are heard as well and that they are given some control and access to resources.

With that, I would like to turn it over to Dan de la Torre Ugarte, who will give us – and I know he will be challenged by that, but I'll try to keep a tight – tight watch on time – an implementation paper that has been part of Heinrich Böll Foundation and eco-fair agricultural trade process, looking at what opportunities are created by the global food crisis for alternative policy suggestions and agriculture. Please, Daniel.

DAN DE LA TORRE UGARTE: Thank you very much, Liane and thank you very much to the Heinrich Böll Foundation and the Carnegie Endowment for inviting me to this to share with you these ideas that the aquifer trade dialogue has put forward. What I want to – what you are going to see is that I'm going to repeat necessarily, but take some of the concepts that have already put by some of the speakers and try to put it in one direction that clearly points to the recommendations that Liane, we put forward in this paper. We have already heard a lot about what is going on in – I mean, what is the food crisis, data, and so forth. So more than that, I’m going to emphasize in some of the key concepts.

The most important thing that I want to bring back together – although everybody probably in the room knows about it, but it isn’t necessary to emphasize once and every time that we speak which is the role that the agriculture plays in terms of poverty reduction and food security. The developing world – almost half of the people have their livelihood directly or indirectly linked to agriculture. Of those two-and-a-half-billion people, one-and-a-half-billion people are in the small households – (inaudible) – their households. There are 800-million people food insecure. Probably today, we are talking about 900. Of those, 80 percent are in rural areas, okay? Poverty and agriculture, rural areas?
In many developing countries, still, agriculture reaches more than 50 – generates more than 50 percent of employment and more than 25 percent of the GDP. And as reported in all of these data – as reported in the World Development Report from last year, and the report also emphasizes an idea that we have lost, somehow, in the 10 or 15 years, that an increase in one percent of GDP in agriculture is much more efficient in reducing poverty than any other sector of the economy. All of this is in the World Bank Development Report. And I think that we have to reemphasize and put forward what is the importance that agriculture has in this area.

Everybody for the last year, year and a half, has been focused on the food prices. And some people have been emphasizing whether they’re China, India, and so forth – but after specific analysis, one have to come – one have to come to the conclusion that these crisis is human made. And these are result, to a large extent, of poor policy choices. Some of those are, for example, the elimination of public stockholding in the U.S. and in other countries, failure to invest in agriculture in the last 20 to 30 years and therefore, to support local farmers and encourage local food production, failure to protect ecosystems, and a huge push for government regulation. All of this are human-made actions.

Now, why did prices rise? But before talking about what trigger the spike in prices, what I want to talk is what was the performance of the agricultural sector before the prices increase, okay? First of all, after decades of low agricultural prices, rural incomes have been totally depressed and investment in the agricultural sector, public and private, has been discouraged. Second, we have reached, in the last 10 years, a point in which low prices cannot generate significant increases in food security. The – (inaudible) – of agriculture doesn’t hold anymore to keep adding gains to food security. We have heard, in terms of environmental component, 30 percent of the greenhouse gases are either linked to agriculture or to forest land. That means that either agricultural practices or consumption – or our consumption diet is contributing next to fossil fuels, to be the second emitter of greenhouse gases. This is the performance of agriculture? This is the performance of the dominant agricultural system – industrial agriculture – that we had before the prices spiked.

My conclusion should be – our conclusion should be – our goal cannot be to go back to 2005. Our conclusion to be what can we move forward and take advantage of this situation in order to change the dynamics that we had before 2005. We already have heard about the issues that trigger this price spikes, the rapid increase in biofuels – (inaudible) – biofuels increase in three years, the use of biofuels increased almost the same amount that it took about 12 years to increase the feed demand. So it’s just the speed at which biofuels increase. You have heard the low level of stocks. The deregulation of the used commodity features – this is especially important because there was legislation that limited the participation of index commodity funds, speculative funds, to 11 million bushels in every single position for a speculator. Only the two biggest speculators, or the two biggest index funds hold today or after a few weeks ago, two billion bushels of grains, which is basically 80 percent of the total grains that we use in the U.S. for ethanol. So it’s a huge demand. The impact of China and India and whether having totally overestimated and exaggerated.

Now, obviously, higher prices are going to affect consumers negatively. But at the same time, higher prices have the potential to generate significant income in those two-and-a-half-billion people. Now, is this automatic? No, it’s not automatic. We have tried case after case in which most of the price increases that we have seen in the last few months have not reached rural areas – have not reached producers – and therefore, just put into question whether the government structure can really transfer those price grains to the rural areas in order to create that new dynamic in the agricultural sector. I don’t think – I don’t think in this stage of development, in pursuing the same model of agricultural development
that we are pursuing in the last 20 to 30 years, we are going to be able to dramatically affect that equation without significant changes.

Now, this is where our contribution counts in terms of potential avenues that we may be able to use in order to take advantage of these high agricultural prices. High agricultural prices mean that there is a demand and there’s a possibility if those prices – and I’m not saying the three hundreds or the nine hundreds or the $150 corn, but just prices higher enough than the ones we have experienced the last 30 years, higher than those, have the opportunity to bring investment into agricultural, public and private. And that is an opportunity that we cannot miss. However, it matters what kind of investment. If we don’t do anything, what we are going to see is that we are going to have huge amount of investment in this place, in land use, huge amount of investment in emphasizing and increasing the intensive use of those inputs that are contributing the greenhouse gas impacts, the degradation of the soil, and to the – to the perpetuation of the industrial model. So it matters what we do.

And the goal of what we do has to be poverty reduction, increased food security, and enhanced environmental performance. How can we create – how can we move to an agricultural sector that provides a balanced development and industrial limits? And their actions and our short-term actions and actions of longer term, not that it can be taken later, but it takes longer time for them mature. But both of them – both of these sets need to be done yesterday. We have looked to a smarter production and use of biofuels, which basically means we have to keep the increase in the use of biofuels at the level in which we develop our productive capacity in agriculture. Biofuels cannot be going three times as fast as we are developing out productive agriculture. In that regard, there are two actions that can be taken.

One, the U.S. and the EU could slow down the pace of the growth and on the other hand, bring into the picture, ethanol made from sugar in order to reduce the pressure on food commodities. Another action of immediate use – modern, better humanitarian aid goes without any more clarification. We have to regulate commodity changes, go back to the limits that we can – in which speculators can hold speculative positions in agricultural commodities. And the domestic policy pace has to come before trade policy objectives. Actions of mid- or longer term impact – the national objective has to be – a national objective has to be developed in which more sustainable agricultural production should be the guideline for the development of a new agriculture. And that basically means that we have to start bringing into the farmer’s balance sheet and the sector’s balance sheet, the environmental cost.

We have to invest in infrastructure. If we want farmers to receive a higher share of the price, we have to increase the efficiency of the marketing system through better roads, better infrastructure of distribution, and more alternative channels of distribution. We have to invest in production capacity and production capacity means technology – technology that goes directly – that goes directly associated with the resources that the country or the region has and also the potential utilization of that food stuff in a more local-based diet, invest in institutions. We have to democratize access to land, water, credit, and policy-making.

Again, we have to reform a multilateral trade system in which the bad word is not distortion, but the objective is distort the market in the right direction – distort the market to generate more development in developing countries, reduce poverty, and increase food security. We have to – if we don’t do it now, when? We have to establish food grain reserves, either locally or internationally. It doesn’t matter if we hold a certificate if we build our reserve if we don’t have the volume and the physical availability – and the physical availability of those commodities. So a grain – a physical grain – (inaudible) – reserve has to be a part of any solution.
And in terms of an agricultural and energy policy, what we have to bring in the table, the gain, is the fact that one, that we need biofuels in the sense that is going to be – the demand that is going to keep these prices from going back to what we have in the last 30 years but at the same time, have a smarter policy in which we look at the right food stock, we look at the local use and the primary use, and we premium – we have a premium for environmental and rural development performance. We cannot afford to back to the pre-crisis agriculture. If nothing is done, we are going to miss this opportunity for poverty reduction, agricultural, and climate change. The priorities have to be production and consumption of local crops, invest in production capacity, and revalue small holders and rural development. We have to introduce environmental cost and produce a – (inaudible) – domestic food policy objectives have to come before trade objectives and at the same time, we have to prepared for lower prices. Thank you.

MS. SCHALATEK: Thanks so much and last but not least, and as you can tell, all our speakers would have plenty more to say and I just want to point out that we have some written documents that are available to all of you that point out some of the points and the arguments that the speakers are presenting here in greater detail and we are almost necessarily doing them injustice here but having to cut them short. But nevertheless, we have the documents. I would encourage you to read up on that. And now, we are looking very much forward to hearing the thoughts of Steven Schonberger from the World Bank – the World Bank – a lot of the topics that have come up here have been addressed in the World Development Report on Agriculture, which was published last year and which some of the speakers refer to. And now, I guess the World Bank, having some would say, not very nicely, rediscovered agriculture after an absence of several decades is really at the forefront on helping formulate or are trying to push forward for a newer deal for food policy and we are looking forward to having a presentation on how the World Bank thinks that should look like.

STEVE SCHONBERGER: Well, thank you very much. You know, this is exactly time when we need this kind of interaction because we have to start showing some success in agriculture because the opportunity is right now. I just wanted to reinforce it – the value in looking at the IAASTD report and report that Daniel and Sophia (ph) prepared. I think they’re two of the most concise and worthwhile documents to look at in terms of understanding the challenges and the issues right now.

Yesterday, I had planned not to do a presentation and now I told one of my colleagues that and he said, well, if you’re from the World Bank and you don’t throw up a few graphs and charts, people will feel you didn’t earn your lunch. So I’m afraid you’re going to have to suffer with me through a few of those – (chuckles). But I’ll move fairly quickly because I think a lot of the topics I’ll bring up are sort of illustrations of what others have raised. And I’ll count on Wesley to help me manage the time here.

I mean, we’ve heard about the changing context of food markets and the new opportunities. I mean there are – high prices are a burden but they’re also obviously an opportunity for producers. The nature of demand is changing radically. It’s moving away from the standard cereals, both in terms of what’s consumed in developing countries as well as what developing countries are exporting. It’s moving towards horticulture and meat products increasingly.

As has been mentioned, the supply chains are increasingly integrated through supermarkets and other mechanisms. In some ways, that’s a threat to agriculture – small-holder agriculture because the domination of some large food groups but on the other hand, some of these supermarket groups are starting to see opportunities and what’s often called bottom-of-the-pyramid marketing in terms of
widening their client base to include some of the poor groups. And also, there’s increasing interest in ethnic foods worldwide that potentially are an opportunity for small-holders to supply.

At the same time, we’re seeing small-holders sourcing adding retail value, very directly. Fair trade – and Starbucks, other are actually labeling and charging premium prices on the basis of working with small-holders. There’s also increasing demand for environmental services as was raised from agriculture across a whole – and those are potentially some real opportunities for small-holder agriculture. And as been mentioned, it’s critical for climate change, globally of course, but in terms of the opportunities developing countries have to contribute to climate change mitigation. The major contributor in developing countries to greenhouse gases is essentially agriculture and deforestation associated with agriculture.

Also, a very exciting area which was mentioned is the democratization of information access. I mean, cell phones are appearing everywhere – they’re getting into very remote, rural areas and the fastest growth in access to information, while it’s starting from a low base, is in developing countries, is in Africa and other places. So this is an exciting movement.

Now, one concept that we and others are working with is this idea of value chains and how small holders fit into these value chains because we’ve talked about the importance of the whole marketing chain in looking at agriculture, not just the production aspect. So why do we care about small-holder sector? Well, I won’t go into this in a lot of detail with this group because I think we – but as been mentioned, they’re an incredibly important group both in terms of employment, those who are poor – if we want to address poverty and as Daniel pointed out, agriculture is the most effective and most countries’ way of reducing poverty.

Now, what are empowering value chains; how would we define those? Well, it should allow small holders to seize new opportunities. It should increase producer knowledge of the market demand in pricing. It should increase investments from farmers and other private sector participants. It should increase the access of small holders to knowledge, finance inputs, and technology. It should reduce the transaction cost in the producer processor marketing interface. And it should increase the share of value added captured by the primary producers as small holders.

So some examples – I mean what’s important here – I won’t go into the details but these things are emerging in every region of the world and that’s what’s exciting about it. It’s not limited to East Asia or to Africa. I mean, everywhere in the world has started to develop these small – these empowering – what we would call these empowering value chains involving small holders. So why aren’t we seeing more of this? Well, a number of these constraints have been raised.

I mean one is the investment climate in many countries really limits the quantity and quality of agricultural investment. I mean, you know, one talks about deregulation – we could go back and forth on the issue of regulation but we have to be very careful not to be dogmatic about regulation or reducing regulation or addressing regulation. If it, you know, if it takes you twice as long in a country to get a business license and that’s generally going to affect the small holders, the small businesses more than the larger ones, you’re at a disadvantage, both within your country and globally. So if you could address those regulatory issues, you do.

The time to start a business, the days for export processing, you can see where the OECD is relative to these other countries and it’s quite dramatic difference and it puts small holder in all businesses and local businesses in developing countries at a disadvantage. I just wanted to point out – this also
applies, interestingly, this morning, we were talking about certification with some farmer groups from East Asia. And they were pointing out that the certification process in some of these countries is 10 to 20 times as expensive and takes many times longer for organic produce than it does in developed countries. So what a tremendous disincentive for small-holders to go in some of the directions we’re talking about. So, this is a regulatory issue that hasn’t really been on the radar screen but is very important.

Marketing systems are inefficient, I mean in many developing countries you have a tremendous number of intermediaries, which of course increases costs, risks and losses along the way. And it has been raised before – a very fundamental issue is property rights. When prices went up, I mean the studies have shown pretty generally that in those countries that had reasonably equitable land distributions and reasonably secure tenure, there was generally a positive poverty impact. But in this places with tremendous inequalities in land distribution or poor tenure rights, generally the opposite is seen.

And of course as been mentioned, a limited access to finance – and these are just some examples of how those with less constrained finance tend to do better. And it’s been raised, and we certainly agree, there’s been a tremendous underinvestment in agriculture and in rural infrastructure, in terms of public investment in particular. But at the same time, we have to focus on the quality of investment. A lot of the investment that was reduced was not necessarily – it was reduced because it was not producing the results it was intended to. It was being captured – whether it was subsidized credit being captured by elites, whether it was marketing boards that were – essentially – the money wasn’t going to the farmers, often the producer prices were lower than in neighboring countries that didn’t have marketing boards, you have tremendous illegal flows across borders to other countries. But there is an issue of – but that doesn’t mean you walk away from agricultural investment. You find better agricultural investment. And there’s been some good studies by IFPRI, which is represented here, and others, that things like agricultural research and development, irrigation, education, roads – these things are high-payoff investments that deserve much more attention.

And then as been mentioned, there’s been a tremendous move towards concentration in the agribusiness sector. This is showing in the market shares, the C4 concentration ratios in the key areas of agrochemical seeds and biotech, and how that’s increased. We’re seeing the claim on value-added – developing country’s claim on value-added agriculture declining from 60 percent in 1970 to 72 down to 28 percent in 1998 to 2000, and this is in the World Development Report in 2008. So these are huge trends.

So in terms of a way forward, recognizing the potential upside of these value chains and at the same time recognizing their constraints. Well, clearly a need for strengthening the legal frameworks to build trust and reduce the cost of transactions in countries. Addressing these general business climate issues of licensing and trade facilitation, strengthening land access and tenure security cannot be emphasized enough – developing better rural finance systems and risk services so small-holders have access to those services, obviously efficient input market so that small-holders can get access to the fertilizer, the seeds, the knowledge that they need. Rural infrastructure improvement, again, very large payoff in most developing countries. And then the whole issue of quality, and sanitary and phytosanitary standards to help – to make those work for the small-holder and helping small-holders be able to meet those standards. And then broader market information, and very fundamentally, strengthening producer organizations in order to help farmers engage in the market on less skewed terms.

I won’t go into this, because – but I mean, basically what this demands is a new role of the state, and we’ve talked about some of those elements, and there’s some real drivers to this, so it’s not just a theoretical idea – I mean, these are the drivers that are out there in the world today, there’s a dynamic that
results from that, and there are some roles. And it’s basically pushing the state to get out of direct provision and into really providing the right basis for small-holders and farmer organizations to take more authority, to give them more voice in the political and fiscal realms in countries, and to strengthen the coordination mechanisms of the institutions that work with agriculture and small-holders. Similarly, there’s tremendous dynamics driving the role of the private sector, many of them hopeful. Much more diversification of product sourcing to deal with political risks and others. As I mentioned, the branding of small-holders is a way of getting more value in the market, so therefore more interest in sourcing from small-holders. More interest in traditional varieties, as there’s more interest in consumers in different food habits around the world, and, you know, much more working directly with farmers to provide them with the tools to be able to produce so that they can sell it effectively into their markets.

But again, farmer associations are absolutely critical. And again, here are a number of examples of where this has worked, how it has taken basic situations in a country like Tanzania, where there was basically almost armed conflict between farmers and a local miller, and how it was turned around into a sort of – what we call a win-win situation, where the farmers are doing much better, the millers are doing better, and it’s doable. And now it’s looking like it’s expanding and the government is now becoming a key facilitator in that process.

But an important caveat is that many small-holders won’t be able to integrate into this approach. This is not the magic bullet, this is one part of the solution. There are areas that are constrained agronomically, because of low rainfall, to be able to produce the kind of products that would fit into these value chains. Sometimes they’re constrained by market access, sometimes there’s a need for – and that raises need for rural, irrigation, and other food security measures. I mean we can’t forget the fundamental importance of safety nets in rural as well as urban areas, for those who simply won’t be able to integrate rapidly into the new opportunities. And of course there need to be investments in education and health and active labor market policies, because not everyone’s going to want to stay in agriculture – it may not be the best opportunity for everyone to escape poverty.

So, I mean, coming out of this and having read the paper yesterday evening that was prepared by Daniel and Sophia, one does see some real common interest and challenges and I think we’re all trying to focus on moving forward. I mean, we’re clearly very much interested – the fundamental issue is poverty reduction. How do we help the poor to escape poverty? And associated with that are some real issue of food quality. How do we ensure that the appropriate incentives exist for higher quality and more sustainable production? Those don’t seem to be in place right now. And again, when I talk to producers or the intermediaries, they’re all say, we don’t get – when we produce to high standards, the market’s not there to buy it. And I was told that this morning by a very large food producer in East Asia. He said, you know, we try to go to the Global GAP standards and nobody buys the food when you do it. You know, we come down one percent on price and we sell as much as we want, but that means lower standards for us in many cases. So this is very important. Environmental sustainability. How do we ensure that these environmental costs are internalized? I think Dan talked about the triple bottom line?

(Tinaudible.)

Talked about the triple bottom line. And this is, you know this is – how does that get built in? Public support. How do we do it right? How do we ensure that when the public sector gets involved that it reaches the right people and it’s responsible in terms of government expenditures? That they’re accountable, and that they’re going to the people who need it, and not to those who don’t but have stronger political voice. And then finally, and it has been emphasized by many, how do we ensure a
trading system which supports sustainable and equitable opportunity in agriculture but also ensures a safe, reliable, and very importantly an affordable food supply? Because not all poor people are farmers, a lot of poor people are consumers of food.

So a parting message. This really is inspired by a Cameroonian farmer I met at the UN a couple weeks ago, who heads a very large woman’s farm producer’s association, and she made the point that, you know, how we respond to this crisis in forms of fixing what’s broken in agriculture – and I would add social protection – will really determine whether future generations will record this is a triumph of an opportunity that we exploited or grabbed, or the tragedy of an opportunity squandered. And I think that very much resonates with what others have mentioned. We were asked to kind of, point out a few publications that the Bank has put out recently that might be of interest to you – I mean there’s one on – the top one is very recently put out, it just came out a couple of days ago actually, on social protection and the food crisis. Others on food and fuel, and then of course the World Development Report, they’re all available at the World Bank’s website. So we encourage you to take a look at those, and – so anyway. On behalf of the World Bank, I would like to very much thank you for this chance to speak.

MS. SCHALATEK: Thank you, Steven, and obviously we have what seems like a very wide area of agreement, but I think when we probably go into the questions we might also find some areas where there is some disagreement – for example, I think one of the issue that for example needs to be addressed in terms of regulation is also – regulation of agribusiness sector concentration – are you okay? – concentration and market power. And again, the question of how you can do business in a developing country, how long it takes you as a small-holder, as a small-organizer – is the one side of the coin, the other side of the coin is how – what opportunities a very integrated global value chain gives small-scale producers in a market that is dominated by large agriculture business sectors. And I think it would be incumbent on organizations like the World Bank and others to figure out exactly what some of the best intervention points and opportunities for smaller groups are. I don’t think they necessarily need to support big agribusiness sector in doing that with public finance.

That is stepping out, for one moment, of the moderator role. We have now about 30 minutes time, unfortunately only 30 minutes, for question and answer and – hopefully some answers – and I would start by selecting some questions. I hope we have a microphone still, in the interest – since we are live on CSPAN still, I hope, please identify yourself – don’t make really long commentaries or intervention, I really would appreciate if you could get to the point with a couple of questions. I will select three or four in the first round, have the panelists answer quickly, and hopefully we have the chance for a second round. So I have one hand back here, one gentleman here, the lady here, three, do I see a fourth hand? And the lady here, we’ll go with those four, and again, please, brief interventions and identify yourself.

Q: Al Milliken, American Independent Writers – what is known about the nutritional value of the food available to the developing world? Is it comparable to that available to the developed world when consider its vitamin and mineral content as well as the ways food quality is compromised with pesticides, chemicals, and antibiotics? There was a mention of cheap food, does this relate to quality and nutritional value as well as quantity and price?

MS. SCHALATEK: Next question?

Q: Ken Dillon, Scientia Press. Biofuel technology is a moving target, and when we get in 10, 15, and 20 years to third and fourth generation biofuels that could be very profitable, there will be a high incentive for farmers throughout the world to grow biofuel crops. How do we ensure that there’s
protection for the poor and hungry of the world? Are taxes enough, or are we going to have to find other measures?

MS. SCHALATEK: Thank you.

Q: My name’s Osmida (ph), I’m with the Rural Coalition, and I was a Peace Corps volunteer in Mali for the last year, and in Mali we waited for the food riots of Senegal and Dakar to hit Bamako, and to the city that I lived in the Sahara, and it wasn’t really a factor, it didn’t really occur in that country the way it did in the rest of Africa? And it seemed to me a product of the fact that Mali’s agriculture is local, self-sufficient and primarily independent. And so I wonder how much of the international community’s role in providing self-sufficient, local markets for food should be our willingness to bow out and stop providing as much advice as we have done in the past.

MS. SCHALATEK: Thank you, the fourth question?

Q: My name’s Julie Howard, from the Partnership to Cut Hunger and Poverty in Africa, and thanks to the Carnegie Endowment for this focus – need to focus on agriculture. I wanted to ask the panelists to be a little more specific about how they see the government’s new role in agriculture. And I wanted especially to ask how you view that in light of the evidence that we have from the ’70s and ’80s, and particularly in Africa, where there was a particularly heavy hand of government in agriculture, doing some of the same things that it seems to me you’re recommending today – for example, global – or, grain stock, national grain stocks, and also setting prices. And there was not a very good experience with that. And then we look at the experience with India, and on one hand, and with Zambia on the other, where quite a lot of the agricultural budgets is going for subsidies in one hand or the other. How do you view the role of government, and in India and Zambia it’s quite an opportunity cost trade-off – you know, you’re spending a lot on grain stocks or subsidies. That means you don’t have a lot to spend on rural infrastructure. So how are we to think about those trade-offs?

MS. SCHALATEK: Great, thank you very much. Maybe Steve you can start with the question on the nutritional value of food and the difference, since it was one of the issues it seems that the IAASTD report picked up on?

MR. SUPPAN: There was an involvement of a number of public health professionals who looked at the nutritional issue, and as I said there is a great deal of underinvestment in ensuring that there are marketing channels and support for – not only fruits and vegetables, but also indigenous grains, the so-called orphan crops that don’t get any support – I mean, traditionally support goes to wheat, maize and rice and not to tef and quinoa, to say nothing of vegetables and fruits. And so that failure investment combined with a lot of indirect subsidies for highly refined sugars, for example for high fructose corn syrup, and for fats and empty calories has led to both an under-nutritional crisis and a chronic disease crisis that is related to deficient nutrition. So there’s a number of proposals, some of them related to the WHO project on diet-related chronic disease. I did not work on that particular part of the chapter so I can’t give it to you in great, great detail, but I do know that this is definitely something that has the interest of governments, if only because of the huge social and economic costs of diet-related disease, to say nothing of the loss of cognitive development and the loss of labor power due to under-nutrition.

MS. SCHALATEK: Steve wanted to get in on that specific question –
MR. SCHONBERGER: Yeah no, I think you know we’re very – well, we’re cognizant of but I’m not sure if we’re doing enough on the nutrition aspect of the food crisis – this is, you know there’s tremendous – we’re hearing about it, and we’re trying now, for instance in the World Bank support to ensure that every single proposal that comes to us at least is looked at to see – is there an opportunity to address nutritional dimensions, not just food availability aspects as part of the response? Because what is happening is people are – one of the consequences of the high prices, people are going to lower quality foods. And lower nutritional value, and as was pointed out – I mean this is particularly of concern for the – sort of under two-year-old groups in the world, and this would be a tremendous long-term consequence – tragedy that would come out of this food crisis to affect sort of the development of young children.

MS. SCHALATEK: Thank you. We had the question on biofuel technologies and how to ensure with them moving forward that there is protection for the poor, and basically to guarantee food safety and food sovereignty. Daniel and – both Daniel and Sandra to that?

MR. UGARTE: I think that, one think that we have to look right now for instance is that the commodity prices – agricultural commodity prices today are roughly 60 percent of what they were at their peak. So we already on the way down. And, in my opinion, we need biofuels in order to increase the competition with land use in order to keep prices at reasonable levels. Don’t ask me right now what is a reasonable level though, but that’s what we need for. At the same time, what biofuels present is a huge challenge, because the demand for energy compared to food is basically unlimited. So we cannot let just the free market by itself determine how much biofuels we are going to produce. So I think that the expansion and the use of biofuels has to be directly regulated – especially by the big consumers. One of the things that we have to understand is that biofuels are not cheap. So what we see right now is that the EU and the U.S. are paying for the use of biofuels. And that has been responsible to an extent to generate these prices. And I think that in the near future, that’s one element that could keep prices high, or higher than we have seen in the last thirty years.

MS. SCHALATEK: Anybody else on the biofuel? If not, I would go on to the next part of the question – government’s new role in agriculture. Sandra, you wanted to go in on that?

MS. POLASKI: And, I think it also reflects on the comment that was made about the experience in Mali during the real height of the food crisis, and the fact that Mali doesn’t have demonstrations, they have largely self-sufficient agriculture – not all countries can be self-sufficient in agriculture. They may be land-constrained, water-constrained, whatever – however, I think that we can say that the bottom line is that the new role of government in agriculture is to have a strategy for food security for its people. This is probably the most fundamental responsibility of government, going back to when we first began using tools, is that the government organizes a society so that the basic needs are met in a way which is done better than by individuals themselves. So, depending on the endowment of a particular country, in terms of land, in terms of water, in terms of labor force – any good government which is responsive to its population is going to have to have a strategy for food security. Many governments have not had that. The riots impressed that on governments who weren’t paying attention, but I was at a conference last month with a number of senior officials from African governments, and it certainly has awakened the attention of all governments, that they have to worry about food security.

Now, what tools will they use? It’s true that there was a time when governments in developing countries were much more involved in their agricultural markets; it’s also true that governments in developed countries continue to be very involved in their agricultural markets, whether it’s the U.S., France or any of the other European countries, Japan etcetera. Most governments are very involved in their
agricultural markets. There are a lot of tools, whether those tools involve grain stocks in terms of a minimum food security requirement; intervention in price markets, guaranteeing minimum prices – those tools can be used well or they can be used poorly. For every example, we have a country that used its price-setting policies poorly, and it was distorted and captured by elites, we can find other examples of countries that used price-setting policies that kept the small-holders from going under.

And, so what we have to look at is not the good example, the bad example. We have to look at each of those tools, and say in a particular situation in a particular country, which of those tools will be appropriate and how can we build it, how can we use it in a way that will put in safeguards so that it doesn’t become misused? I used the example of India, and one can point to the minimum price support in India as an extremely successful tool that they have used to mitigate the impacts of the food crisis; at the same time, India’s across-the-board subsidies for fuel and some other inputs has been badly targeted, and it has been captured in many cases not by the people it was intended for but by others. Those are two separate policies. Fuel subsidies and minimum price supports are two policies. We can’t lump them together, we have to examine each one of these individual tools that have been tried and tested over decades and generations in different countries, find the ones that are appropriate, and not refrain from using them because it’s the government using them and not the private sector.

The private sector failed in this food crisis. We have to say that. That doesn’t mean that the private sector has no role to play in this. But we have to say that the idea that if government gets out of agriculture in developing companies that the private sector will come in, that failed. That failed and that caused hunger and that caused riots. So, that can’t be our mantra. The mantra has to be, what does the government need to do, because no one else will do it, what can the private sector be relied on to do it, because there’s an incentive for them to do it, and how do you balance, and how do you use those tools, chisel those tools if you will, to be very appropriate ones and to use them appropriately in the context. I think that’s the question that we have to ask and that’s how we find the answer of what is the role of government.

MS. SCHALATEK: Thank you, Davo?

MR. VODOUH: I will take some example from Benin, where I come from, and where there was a food crisis, the government was supposed to intervene to reduce with taxes, to help to keep the cost of food very low. But what happen? People started to export food to the other countries where those kind of mechanisms do not exist. And then the government was obliged to intervene. And also, we found that the main issue is related to the storage of grain because there is a lot of lost. And what the government is doing now is to buy the – (inaudible) – and to keep it and to break it into the market when the price is going up, and that helps to reduce – to decrease of the price of the food. And also what I am experimenting now – is that the government, because of food crisis, is trying to invest more in agriculture than before.

Now we can see many government investing in equipment for the farmers and helping them buy those equipment at cheaper price, then – and also the government and courage private people who are willing to promote agriculture. For example, in my country there is a very big entrepreneur who is not in agriculture, but he is promoting, nowadays, rice, because we have been shortage of rice, and now people are developing rice in everywhere in every country as there is a variety which can be grown everywhere in all the soil. The rice called nerica, in the country. Thank you.
MS. SCHALATEK: We have one short comment on the same issue from Steve from the World Bank, and obviously the World Bank is working with governments, so they might have some ideas on what role the government should provide.

MR. SCHONBERGER: So we already put out some – (break) – the what might be some roles, but I think this sort of goes to the two questions, one about – from the experience in Mali, as well as the role of the government. And I think the two come together in our view and in our experience in making sure that whatever investments governments make respond to what the local communities themselves prioritize. And I think that’s what was – in some – in many cases missing in the 80’s, let’s say, when a lot of it was very top-down saying this is what the farmers there need, which may or may not have met their needs and was often politically motivated, to the extent that the way now that governments are working with agriculture really relies on communities, planning and identifying their priority needs – and farmer organizations indicating what’s most important for them.

Then we have the – I think that’s where the best opportunity is to ensure that governments are getting it more right than before. And I fully agree with Sandra. We have to move – all of us from dogmatism to pragmatism. What works where and where it works, understand why, and then work with countries, governments and nongovernmental organizations across the board – farmers organizations of private sector to see what works in a specific country in a specific circumstance. Thanks.

MS. SCHALATEK: We have about 12 minutes left, so if there are – can I have a show of hand if there are some more questions that need to be – I will take three more. Please be brief so that we can allow – and so – pardon? Sorry. In the interest of time, one question here, one question, the lady here, and the gentleman here. Go ahead please.

Q: Yes, my name is Judith Poyden (sp), I’m with the Agribusiness Accountability Initiative. And all of you have at least mentioned or alluded to the detrimental affects of concentration in the agribusiness sector as far as fertilizers, seed, etc. That coupled with the influence that these corporations – the agribusiness corporations have on trade agreements – multilateral and bilateral trade agreements – and the revolving door between private sector and government – if you had to choose, and I would like to address this to Sandra but welcome other thoughts. If you had to choose one or two global actions that would help turn the tide with these agribusiness companies, what would they be? Thank you?

MS. SCHALATEK: Okay, someone here?

Q: Hi, my name is Talia, representing the UNFAO. The question for the World Bank is how the World Bank is working with the U.S. regarding the subsidies in South American countries and – because I understand that the World Bank would work with governments, but there is always a conflict in trying to understand each other’s government. And the second question is concerning the groundwater. I understand – Sandra point out that certain things have to be separated in order to study them individually, but I would like to see more of the agriculture – making a more specifics with water, because water is the main point of agriculture, and because of that of course the conflicts arise in the Middle East and in Africa. So if we would save some money, working at the part of the issue, and then, of course, with agriculture.

MS. SCHALATEK: Great, thank you. And the last question then.

Q: My name is Steve Bresh (ph) with World Neighbors, an NGO. One question was going to be on the issue of corporate concentration, about how can that be addressed to make this common agenda
you’re describing move forward. And the second is on what role NGOs can play in supporting farmer’s
associations and local national governments to make this agenda a reality.

MS. SCHALATEK: Great, thank you. Maybe we can start with the question of the corporate
concentration. Sandra, I don’t know whether you have anything. But I would encourage the rest of the
panel to butt in on this one as well.

MS. POLASKI: Yes, well two of the questions got to the issue of concentration. And I think the
specific question was that makes for some very powerful political actors, who are able to influence their
country’s trade policies, certainly that’s true of my country, and many others as well. And, what two things
can we do? I would say that there is one issue which is fundamentally important that hopefully a new
administration will take up – these would be trade negotiations. And that is that the Doha Round – and
this could apply to bilateral trade agreements as well. The Doha Round started out as an agreement that
was supposed to be oriented toward developing countries – an agreement that would make the global
trading regime more friendly toward development, more friendly toward poverty alleviation. At the end,
when the talks broke down in July, and as I said earlier, they probably won’t get going again now until we
have a new administration here, and possibly one in some of the other countries.

When they broke down, the U.S. was taking the position that it was about market access, and it
was about market access for U.S. farmers to export their goods, primarily about exporting them into China
and India. That was what the U.S. said the Doha Round was about. The countries that were resisting that,
including China and India and the so-called G33 group of countries that have serious problems in
agriculture were saying no, this is a roundabout development. Agriculture is where our poor people are.
Agriculture is how we grow out of development. This has to be about giving us the tools, or leaving the
tools in our hands – not taking them away – that allow us to have this investment in agriculture, both by
individual subsistence farmers, by investors, by the private sector, by government. We need to be able to
maintain these tools so that there are incentives to go into agriculture so that we can follow the path that
other countries failed.

That contrast, between whether this is about market access for U.S. exporters and other
agribusiness exporters or is it about development, that’s the thing that we have to change if we want the
trade regime to work. The trade regime is not the only policy issue by any means as all of my colleagues
on this panel have pointed out. But I think that’s the one thing that we do have to change.

MS. SCHALATEK: Yes, thank you. Steve, you want to talk? Comment?

MR. SUPPAN: Yes. One of things that’s lacking on the multilateral regime are any disciplines
against anticompetitive business practices. The reason that corporate concentration is of interest to people
who would like to actually see a really functioning agricultural market is because corporate concentration
tends to be highly correlated with anticompetitive business behavior. If you read classics in this issue, like
James Lieber’s “Rats in the Grain,” you get a small insight into the extent of that lack of enforcement of
the law. Back in 2001, the European Union’s Competition Policy Director, Mario Monti, who was
instrumental in breaking up the mafia in Italy, proposed that there be these kind of anticompetitive
business disciplines. The United States was very strongly opposed. They wouldn’t even talk about
guidelines at the OECD. I think this is a subject that is right, really, for multilateral negotiation.

The other issue here, I think that I want to get – (chuckles) – a little bit on the commodities index
fund issue, is that right now you have the situation in which the financial services industry is basically
running, not only farmers into the ground, but even agribusiness – especially the smaller ones, who don’t have the intelligence capabilities to take advantage of these very – the very tight supplies that are very vulnerable to betting on price movements, which is what is done through these commodities index funds, especially those that are traded through Standard and Poor’s Goldman Sachs, which is the largest entity, and then Dow Jones AIG, which is the second largest entity – and it’s no surprise that the government decided to save those two firms rather than saving some other firms.

So I think there are definitely things that can be done, there are plenty of policy instruments that are out there. They have been suggested in the Commodities Futures Trading Commission, the Inspector General of the United States in January of 2006 indicated that both the Justice Department and the U.S. Department of Agriculture had ceased to enforce the law concerning anticompetitive business practices. But there is really some need in a global market for some multilateral disciplines.

MS. SCHALATEK: Okay, wonderful. We have two more questions, or did any one of you go specifically on that question – that I hope we can address. One was the question particularly focusing on the issue of water, and that I guess relates very much to the type of agriculture that we will use going forward. As we heard there are difference in the way of agriculture – how energy intensive, how much dependent on irrigation its, and, you know, for example, focus on export oriented agriculture might not be the best idea in very water poor areas. Maybe one of you want to get in on that? Davo or Daniel?

MR. UGARTE: I am afraid of water. (Laughter.) Water is an issue that we – people keep talking, and still there is not enough conscience about the issue, one of quality, but most importantly of quantity. However, one of the things that we haven’t done in the last 15 to 20 years is to direct investment towards practices and/or seeds or crops that make a much more efficient use of water. And I think that should be or must be one of the elements of the next generation’s viewage of agricultural research priorities that have to be put forward. For the last 25 years, we have been very efficient at converting tons of fossil fuels into high yields. And because of that, we have made huge strides in agricultural productivity. Well, agricultural productivity, which is important to feed the population, is not the only variable now that needs to be taken into account in this new generation. And I think that water is one of the elements that have to be prioritized together with practices of the reduced greenhouse gases, practices that regenerate – that regenerate and make use of natural fertilizers and regenerate soils.

And I think that all of those elements have to be key. But we cannot do is I think try to undermine the development of the specific industries or crops just because water in general is an issue. Water is a very local issue. And because it is a very local issue, has to be addressed within the reality of that particular region.

MS. SCHALATEK: Thank you, Steve on that quickly.

MR. SUPPAN: The IAASTD has an analysis of this situation, and has suggested that policy – the options for supporting dry land agriculture really need to be invested in a lot more than they have been. Farmers in dry lands have known how to farm and farm well, without irrigation for a long time. And unfortunately a lot of the projects, the big investments – for example the Gates Foundation project in Kenya – are going directly to the best land, to the best irrigation, rather than going to where the farmers are. So I think there’s a lot to be learned from traditional knowledge about agriculture – not only for crops, but also for livestock and for preserving and supporting livestock biodiversity which is even more endangered than plant biodiversity.
MS. SCHALATEK: Okay, wonderful, and when we the one last question, and I would just ask, or give each of our panelists to put in their five cents, 10 cents worth of thought on what role NGOs, the Civil Society, can or should play, particularly in supporting and strengthening small-skilled farmers, but also in helping governments in their supporting functions, and – I don’t know. But it would be fair – Davo, maybe we’ll start with you, and work our way through.

MR. VODOUH: I think that it is well known that the government concentrated in how to get foreign funds – small skilled farmers most of the time ignored. And NGOs can play a very good role in helping those small-skilled farmers to grow and to be efficient. And with respect to the Farmers Association, government like to have just organization created, but do not care too much about how those organization function. And I think that it is the role of the NGOs to help those organization to function well and to bring benefit to all members, not only to a few members in the committees. And I think that NGOs have a big role to play in that because they are more invaria (ph) than the government. That was all right to say.

MS. SCHALATEK. Uh, huh. Thank you. Steve?

MR. SUPPAN: In the trade environment and agricultural policy process, usually firms, and especially representatives of transnational corporations, usually have better access and more influence in policy formulation and policy implementation. I think that in order to have a sustainable development – have equitable development, there’s going to have to be a lot more actors, who actually have a policy influence and access in this process, especially among those NGOs which are responsible for a program implementation delivery. I would particularly point out that there’s a real need to empower women farmers associations. We’re often told by their governments in developing countries, we can’t do anything because the WTO won’t let us, which is not necessarily so.

And so I think that there are a number of roles that can be played, but the policy formulation process has to change, because the current lockout, let’s get behind closed doors and cut another deal is not going anywhere – the club is over.

MS. SCHALATEK: Great, Dan?

MR. UGARTE: Obviously there are NGOs and NGOs, the same way that there are governments and governments. So you may as well – you may know that better than I do. But I think that one of the key roles have to be a whole agent – economic and political agents – accountable and ensure and fight for a transparency for the process. I think that one of the obstacles for NGOs is that usually they are mission driven. And sometimes the mission is very specific. And sometimes that mission is so specific, it gets in the way of reaching practical or pragmatical solutions. So there is also a need for open up a dialogue among the agents – political agents and NGOs in order to permeate both sides of what is – what are the actions, alternatives, the conditions under which a specific programs policies or decisions are being made and considered.

MS. SCHALATEK: Thank you. Sandra.

MS. POLASKI: Yeah, I would pick up on a point that Steve Schonberger emphasized in his presentation and that Steve Suppan just made, which is a point for NGOs and for these groups themselves, organize farmers, organize poor farmers, organize rural communities – organize, organize, organize. There is such a symmetry of bargaining power in these agricultural food chains, that if these
small producers – if the poor don’t get organized, there really isn’t going to be a lot of hope, even if governments set the proper rules of the game, those groups have to get organized as well. And so the emphasis that NGOs in country can put on helping that kind of organization – international NGOs should be supportive of groups that organize themselves and try to facilitate, but I think that the organizing of their political power and their bargaining power in market relationships is extremely important.

MS. SCHALATEK: Steve.

MR. SCHONBERGER: It’s kind of hard for someone from the World Bank to sort of be in a good position to say to NGOs what you should be doing. (Laughter.) But maybe what I’ll do is what – some things we’ve seen that seem to work is maybe a better way of putting it. Some things that – and others have hit it just right on the money, I mean. One is obviously the raising awareness and bringing transparency to processes both in the multilateral discussions in the – at the developed country level, at the lower income country level. How do you let people – make sure people are aware of the issues and make sure there’s transparency about what’s really going on out there.

A second one which I think is very, very important is innovation. We’ve seen tremendous innovation come out of NGO supported initiatives that you just don’t see coming out of bilateral or multilateral development agencies. We’re a bit cumbersome. We have to be a little bit conservative. There’s a lot of money at stake, and we can – you know, we try to be innovative, but there’s tremendous scope for NGOs, whether they’re NGOs in developing countries or NGOs from richer countries working in local areas to really innovate and scale up and bring those things to our attention.

We had the development marketplace last week at the World Bank, and it was so exciting the kind of things – it was just amazing what came from NGOs from all over the world, and they’re things that we’re really excited about trying to see can some of those things be scaled up now, and can we bring those things to the attention of government and others. So that’s huge.

And then the last one, again, as Sandra said, you know, the farmer organization, and one way where we’ve seen that seems to be particularly successful is when NGOs facilitate communication amongst farmer organizations. I mean it’s called South-South, but it’s not necessarily that’s the right way to say it. But farmer organizations in one country or farmers in one country can see what their counterparts in other countries are doing, and that gives them both more courage, if you wish, and more excitement about what’s possible. And we’ve seen that to be a very, very effective way that NGOs can really facilitate developing more strength amongst farmer organizations.

MS. SCHALATEK: Great, I think we came to the end – we have come to the end of our discussion. Only five minutes overtime. I think I want to close basically with just highlighting some of the remarks that I think were a recurring theme here, and also kind of a hope looking into the future. Namely, what has been mentioned here a couple of times that there are policy instruments out there, we don’t have to reinvent the wheel. We have to move beyond dogmatism that is very much tarnishing the debate and more towards pragmatism – what can work, what has worked, when it hasn’t worked, why hasn’t it worked, and look at some of those policy instruments that might have been disregarded as matters or issues or avenues of the past in a new light.

And I think with that, the hope that we are moving from more dogmatism to pragmatism, I wonder – and here in Washington DC about one month before the U.S. election, and would hope that
that obviously carries forward, not only into the election campaign, but also then in the policy making and also the agricultural policy making, both nationally and internationally, that a new U.S. administration is going to make. With that, please join me in giving our excellent presenters a hand.

(Applause.)

(END)